



Agenda Date: 10/07/09
Agenda Item: 8D

STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF THE EDISON INNOVATION)	ORDER
COMMISSION ON SCIENCE AND TECHNOLOGY)	
CLEAN ENERGY FUND SOLICITATION -)	
AWARD RECOMMENDATION)	DOCKET NOS. EO08070471,
)	EG09080730, EG09080731,
)	EG09080732

Elliott Schlam, Project Manager, New Visual Media Group, LLC, 6 Industrial Way West, Suite G, Eatontown, NJ 07724

Dr. Vladimir S. Ban, PD-LD, Inc., 30-B Pennington-Hopewell Rd, Pennington, NJ 08534

Dr. Nirmal Mulye, Nostrum Energy LLC, 11-D Jules Lane, New Brunswick, NJ 08901

BY THE BOARD:

This Order memorializes action taken by the Board of Public Utilities ("Board") at its October 7, 2009 Agenda meeting to approve awards to New Visual Media Group, LLC, PD-LD, Inc., and Nostrum Energy LLC, pursuant to a competitive solicitation for The Edison Innovation Clean Energy Fund ("Edison Innovation Fund").

BACKGROUND

On March 16, 2009, the Commission on Science and Technology ("CST") posted a public competitive solicitation ("the Solicitation") for the Edison Innovation Fund. The CST, which is responsible for the development and oversight of policies and programs promoting science and technology research and entrepreneurship in New Jersey, administers the Edison Innovation Fund pursuant to a Memorandum of Understanding ("MOU") entered into with the Board on September 30, 2008. The Solicitation offered financial assistance in the form of grants to support New Jersey technology companies in developmental and ancillary activities necessary to commercialize identified renewable energy technologies and innovative technologies that significantly increase energy efficiency. Among other things, eligible applicants were companies whose primary business is the provision of a scientific process, product, or service; whose principal place of business is located in New Jersey; and whose filed for, holds a license to use, or owns intellectual property. Eligible applicants were encouraged to partner with a New Jersey PhD granting university or with a company or institution with a primary business location in New Jersey.

Approximately \$6 million in funds was available for the Solicitation.¹ With that funding, the Solicitation stated that awards would range from \$100,000 to \$500,000 per project. The Solicitation stated that companies could apply for only one award per round of funding. All grant applications were required to include a "demonstration project" which would be funded by a portion of the grant funding requested.

Applications in response to the Solicitation were accepted until April 17, 2009. The CST received twelve proposals, which were first reviewed for completeness by CST before receiving an initial external review by TVM Associates ("TVM"). Of the twelve applications received, six companies were invited to make oral presentations to the CST's Clean Energy Advisory Board ("Advisory Board"): Amelio Solar Inc., PD-LD, Inc., Sunlight Photonics Inc., Helios Products, Nostrum Energy LLC, and New Visual Media Company, LLC. The Advisory Board, pursuant to paragraph four of the MOU, is made up of CST Commission members, Staff of the Board ("OCE" or "Staff"), EDA staff, and venture fund managers that have signed non-disclosure and confidentiality agreements.² The Advisory Board reviewed the six applications consistent with the stated evaluation criteria set forth in the Solicitation and scored the applicants based upon its review of the applications together with the presentations made by the six companies.

Following those reviews, the CST prepared an Evaluation Summary Report and Recommendation. In its report, the CST reviewed the evaluation criteria and the weight given to each application. Based on all of the reviews, CST then recommended that the Board consider the following companies for funding:

Company	Proposed Amount of Funding
New Visual Media Group, LLC	\$500,000
PD-LD, Inc.	\$494,809
Nostrum Energy LLC	\$499,834

The New Visual Media Group has developed a highly energy efficient dynamic window that has demonstrated superior performance and reliability at a lower cost. PL-LD, Inc. has proposed to develop a Raman solar analyzer for more economical manufacture of solar panels. Finally, Nostrum Energy is developing a windmill that will operate in low Class 2 or 3 winds and a simple fluid mill designed for rivers, canals and streams.

Staff recommends Board approval of the projects New Jersey Commission on Science and Technology's recommended for consideration. Staff recommends grant awards of \$500,000 to the New Visual Media Group, \$494,809 to PD-LD, Inc., and \$499,834 to Nostrum Energy LLC.³

¹ That funding consisted of \$3 million in Board approved funding for 2008, which was carried forward, as well as \$3 million in Board approved funding for 2009. Although the Solicitation stated that \$3 million in annual funding is anticipated for this program through 2012, funding decisions are subject to Board approval and further subject to State appropriations law.

² The terms "Review Panel" and "Review Committee" were also used to refer to the Clean Energy Advisory Board. Board Staff will work jointly with CST to clarify this process going forward.

³ In addition to the grant funding requested, an eligible applicant's company must provide a cash match at a minimum of 50% of the requested grant amount. A partnering university or company must match a minimum of 20% of the requested grant amount in cash (or in kind, if the partner was a university). Companies awarded grants may receive supplemental financing up to 20% of the approved grant, not to exceed \$100,000, from the New Jersey Economic Development Authority ("EDA"). This supplemental funding from EDA is available pursuant to an agreement between CST and EDA.

DISCUSSION AND FINDINGS

The expected benefits of the Edison Innovation Fund include encouraging the growth of the clean energy technology sector in New Jersey by leveraging public and private resources to support a vibrant renewable energy industry in New Jersey; promoting collaboration between New Jersey technology companies and New Jersey research universities, companies and institutions; increasing corporate and venture capital investment in New Jersey technology companies; and providing support for development of technological advances that will assist renewable technologies to become competitive with traditional energy generation technologies. The products developed as a result of this program should ultimately advantage the New Jersey ratepayers by providing long-term energy needs in an environmentally sound manner and by facilitating competitive and diverse electricity supply for New Jersey in accord with the State of New Jersey Energy Master Plan; New Jersey's implementation of the Regional Greenhouse Gas Initiative, P.L. 2007, c. 340; and the Global Warming Response Act, P.L. 2007, c. 112.

In considering the eligibility of these projects for funding under this program, the Board looks first to the contribution they will make to both distributed generation using renewable energy and lessened energy load due to advancements in energy efficiency. The award of financing through grants to these projects will provide incentives for innovative clean energy technologies, including both energy efficiency and renewably energy manufacturing businesses intended to stimulate the clean energy industry in New Jersey. Staff believes these grants will allow these companies to make important contributions to these goals. The windows developed by the New Visual Media Group offer a significant advance in performance and price in an area of building in which energy efficiency is at a premium. PD-LD, Inc. may provide for more economical manufacture of solar panels through its Raman solar analyzer. Finally, Nostrum Energy's windmill has the potential to extend the availability of wind power to locations with less available wind force, while its mill may make hydropower a possibility in waterways that have been largely untapped.

The award of funding to the three recommended proposals will complement the OCE's existing renewable energy and energy efficiency incentives, which fund the installation of renewable energy generation and energy efficiency measures. The awards will be utilized to advance the renewable energy and energy efficiency business infrastructure necessary to deliver to the marketplace cost-effective clean energy technologies and services. These projects will create a positive benefit for the environment, by encouraging investment in clean energy technology companies in New Jersey. The award of the funding to these recommended proposals will be used to assist in the wide scale deployment of renewable energy and energy efficiency systems, which will mean cleaner air, additional peak load generation from renewable energy sources, better use of existing resources, and greater system reliability.

Upon consideration of the facts, the Board **HEREBY FINDS** that Commission on Science and Technology reviewed all the reviews done on the applications and prepared an Evaluation Summary Report and Recommendation, which recommended consideration of these grants. Board Staff reviewed and recommended Board approval. The Board **FURTHER FINDS** that the recommended grant awards of \$500,000 to the New Visual Media Group, \$494,809 to PD-LD, and \$499,834 to Nostrum Energy LLC are consistent with the eligibility criteria published in the Solicitation issued on March 16, 2009.

Now, therefore, in accordance with the policy established by the Board and the approval of the Clean Energy Program fund payment policies and procedures, the Board **HEREBY APPROVES** grants of \$500,000 to the New Visual Media Group, LLC, \$494,809 to PD-LD, Inc., and \$499,834 to Nostrum Energy LLC under the Edison Innovation Clean Energy Fund, subject

to relevant terms and conditions contained herein and in the Solicitation issued by the CST. The Board **HEREBY DIRECTS** the Director of the Office Clean Energy, jointly with the CST, to issue a commitment letter to these grantees, consistent with the terms of the MOU and this Order. The Board **FURTHER DIRECTS** Staff jointly with CST to prepare the Grant Funding Agreements for execution.

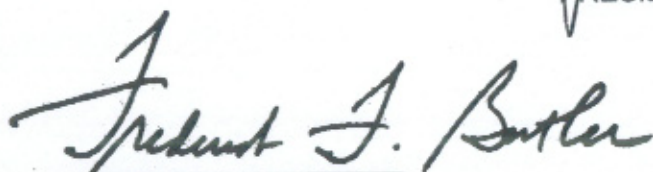
The Board **HEREBY AUTHORIZES** President Fox to sign the Grant Funding Agreements that are consistent with Department of Treasury requirements; program guidelines; and the terms of this Order.

The effective date of this Order is as set forth below.

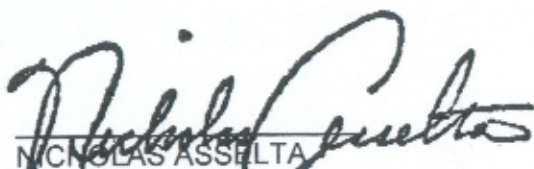
DATED: 10/29/09

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT



FREDERICK F. BUTLER
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER


ELIZABETH RANDALL
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities

